

An Investigation regarding the perception of support from an organization and its influence on the level of employee engagement in Banking Sector

Neena Krishna

Abstract:

Employee engagement is a crucial factor in the success of organizations, particularly in the dynamic and competitive banking sector. Recognizing the significance of employee engagement, this study aims to investigate the relationship between the perception of support from an organization and the level of employee engagement within the banking sector. The research employs a mixed-methods approach, combining quantitative surveys and qualitative interviews. The quantitative phase involves administering a structured questionnaire to a sample of banking employees to measure their perception of support from the organization and their level of engagement. The qualitative phase involves conducting in-depth interviews with a subset of participants to gain a deeper understanding of their perceptions and experiences. The study hypothesizes that a positive perception of support from the organization will be positively correlated with higher levels of employee engagement. The perception of support encompasses various dimensions, such as managerial support, organizational resources, career development opportunities, and work-life balance initiatives. The research also explores potential moderating factors, including demographic variables such as age, gender, and tenure. The findings of this study will contribute to the existing literature on employee engagement by providing empirical evidence specific to the banking sector. The results can inform organizational strategies and interventions aimed at enhancing employee engagement within banks, ultimately leading to improved employee satisfaction, productivity, and organizational performance.

Introduction

Employee engagement has emerged as a critical factor influencing organizational performance, productivity, and overall success. Recognizing the significance of fostering a positive work environment, organizations are increasingly focusing on understanding and enhancing employee engagement. One key determinant of employee engagement is perceived organizational support (POS), which refers to the extent to which employees believe that their organization values their contributions and cares about their well-being (Eisenberger et al., 1986). The concept of perceived organizational support stems from the social exchange theory, which posits that individuals reciprocate positive treatment by the organization with increased commitment, loyalty, and engagement (Eisenberger et al., 1986). When employees perceive high levels of support from their organization, they are more likely to feel a sense of security, trust, and belonging, which in turn, fuels their motivation and commitment to their work. Numerous studies have examined

the relationship between POS and employee engagement, consistently highlighting the positive impact of perceived organizational support on engagement levels (Eisenberger et al., 1986). Employees who perceive high levels of organizational support are more likely to exhibit greater job satisfaction, higher levels of discretionary effort, increased job involvement, and lower intentions to leave the organization (Eisenberger et al., 2002). However, despite the substantial body of research on the topic, there is still a need for a comprehensive review that synthesizes and integrates the existing literature on perceived organizational support and its impact on employee engagement. This study aims to address this gap by conducting a systematic analysis of relevant studies, thereby providing a comprehensive understanding of the relationship between POS and employee engagement. The findings of this review will have practical implications for organizations seeking to enhance employee engagement by focusing on improving the perception of organizational support. By identifying the key factors that contribute to higher levels of perceived support and employee engagement, organizations can design targeted interventions and strategies to foster a supportive work environment that cultivates engagement and drives organizational success. The research was conducted focusing on employees working at the branches of Kerala Gramin Bank situated in Ernakulam and Thrissur districts. Kerala Gramin Bank is a regional rural bank jointly owned by the Central and State Governments, with Canara Bank serving as its sponsor. The bank was formed through the merger of North Malabar Gramin Bank and South Malabar Gramin Bank.

Statement of the Problem:

Despite the recognized importance of perceived organizational support (POS) and its impact on employee engagement, there is a lack of research specifically examining the relationship between POS and employee engagement within the context of Kerala Gramin Bank. Therefore, the problem addressed in this study is the absence of a comprehensive understanding of the level of perceived organizational support and its influence on employee engagement among the employees of Kerala Gramin Bank in the branches located in Ernakulam and Thrissur districts.

Objectives of the study

- To examine the level of perceived organizational support experienced by employees working in Kerala Gramin Bank.
- To investigate and gain insights into the influence and consequences of perceived organizational support on employee engagement.

Hypothesis

- H0: There is no significant relationship between perceived organizational support and employee engagement in Kerala Gramin Bank.
- H1: There is a significant positive relationship between perceived organizational support and employee engagement in Kerala Gramin Bank.

Limitations

- The findings of this study may be limited to the specific context of Kerala Gramin Bank and its branches in Ernakulam and Thrissur districts.
- The study may rely solely on data collected from employees without incorporating other sources of information, such as managerial perspectives or objective performance metrics. This limitation may restrict the depth and comprehensiveness of the analysis.
- Since both perceived organizational support and employee engagement are measured using self-report measures, there is a possibility of common method bias. Respondents may exhibit consistent response patterns or biases that could inflate or distort the observed relationships between the variables.

Review of Literature

(Eisenberger et al., 1986) introduced the concept of perceived organizational support, emphasizing the importance of employees' perceptions regarding the organization's supportiveness. Their study found a positive relationship between perceived organizational support and employee outcomes, including job satisfaction, organizational commitment, and motivation. (Eisenberger, R., Stinglhamber, F., Vandenberghe, C., Sucharski, I. L., & Rhoades, L. (2002) conducted a comprehensive review of the literature on perceived organizational support. They found consistent evidence supporting the positive impact of perceived organizational support on various employee outcomes, such as job performance, job satisfaction, and organizational commitment. Additionally, they emphasized the role of POS in fostering a supportive work environment, increasing employee loyalty, and reducing turnover intentions. (Bakker, A. B., & Demerouti, E. (2007)) present the job demands-resources model, which explains the role of organizational support as a key resource in promoting employee engagement. They argue that perceived organizational support acts as a job resource that buffers the negative effects of job demands and enhances employee engagement. I (Allen et al., 2003) the authors explore the relationship between perceived organizational support (POS), supportive human resource practices, and employee turnover. They find that higher levels of POS and supportive HR practices are associated with lower turnover intentions and actual turnover. The study emphasizes the importance of creating a supportive work environment to enhance employee engagement and reduce turnover. (DeConinck, 2010) examines the impact of perceived organizational support and perceived supervisor support on employee trust. The findings demonstrate that both forms of support significantly influence trust levels among marketing employees. The study highlights the role of organizational support in fostering trust, which is essential for employee engagement and organizational effectiveness.

Research Methodology

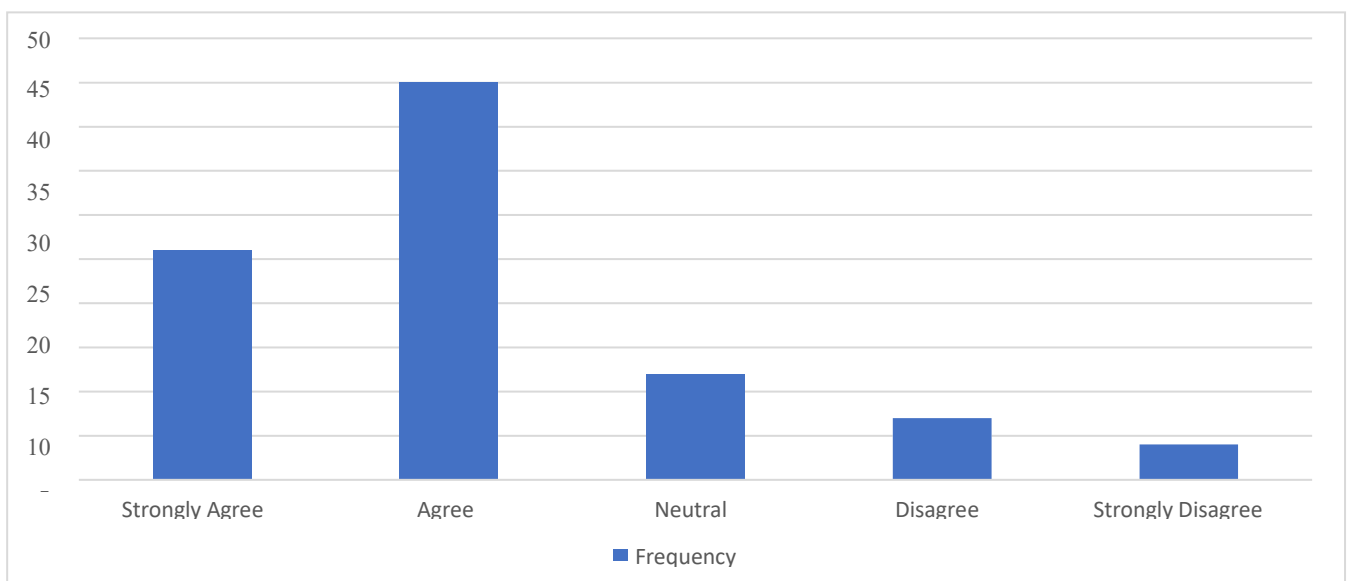
A descriptive research design is adopted to gather information about the perceived organizational support and employee engagement levels among the employees of Kerala Gramin Bank. The study includes a sample of 100 employees from the branches of Kerala Gramin Bank in Ernakulam and Thrissur districts. The sample size is determined based on practical considerations and resource constraints. Simple random sampling is utilized to select

participants from the target population. Each employee in the population has an equal chance of being selected for the study, ensuring a representative sample. Data collection is primarily conducted through self-administered questionnaires. The questionnaires are designed to assess the employees' perceptions of organizational support and their level of engagement. The questionnaires may include Likert scale items and open-ended questions to gather both quantitative and qualitative data. In this study, the tool used for data analysis is SPSS, which helps to draw conclusions and make inferences about the population under investigation. The results were obtained by conducting a correlation analysis.

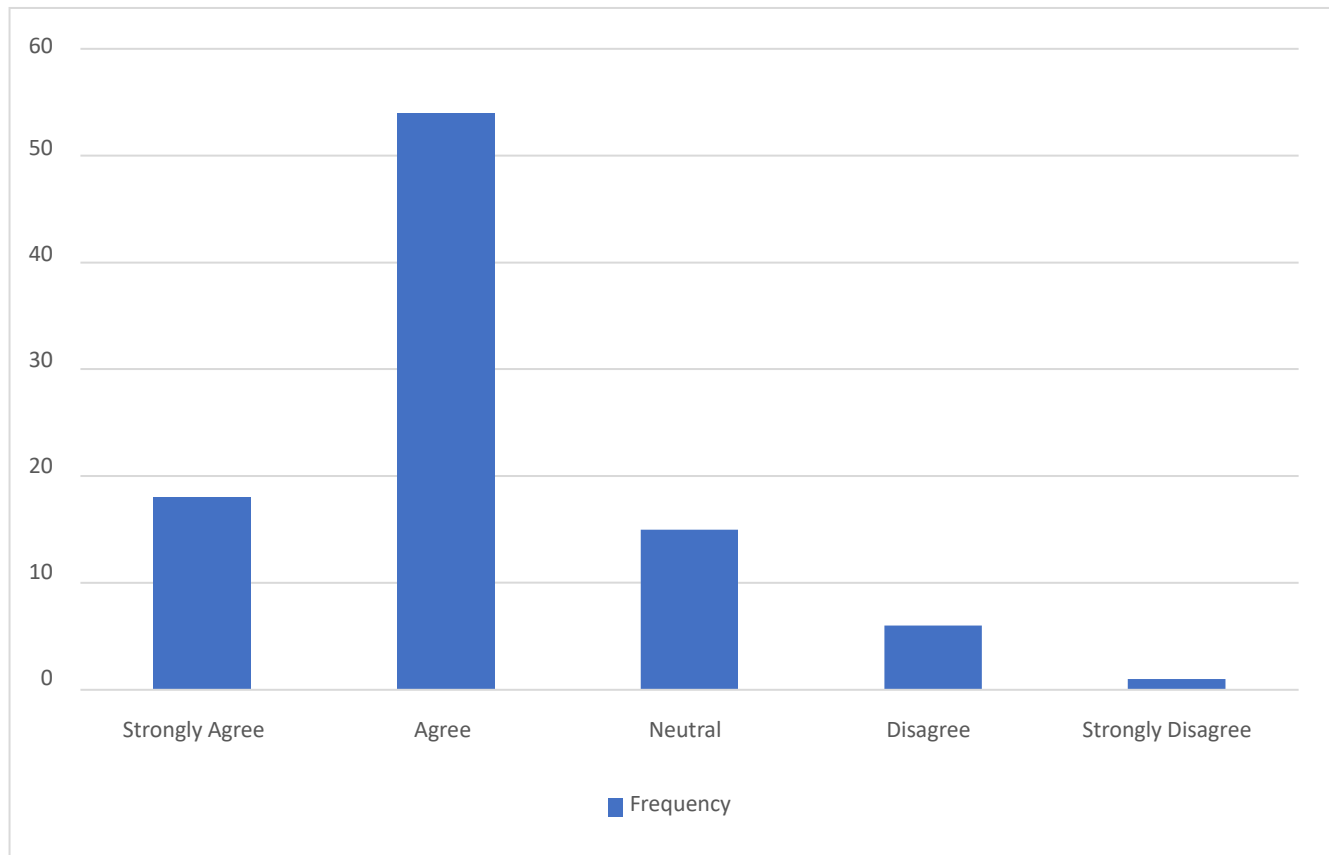
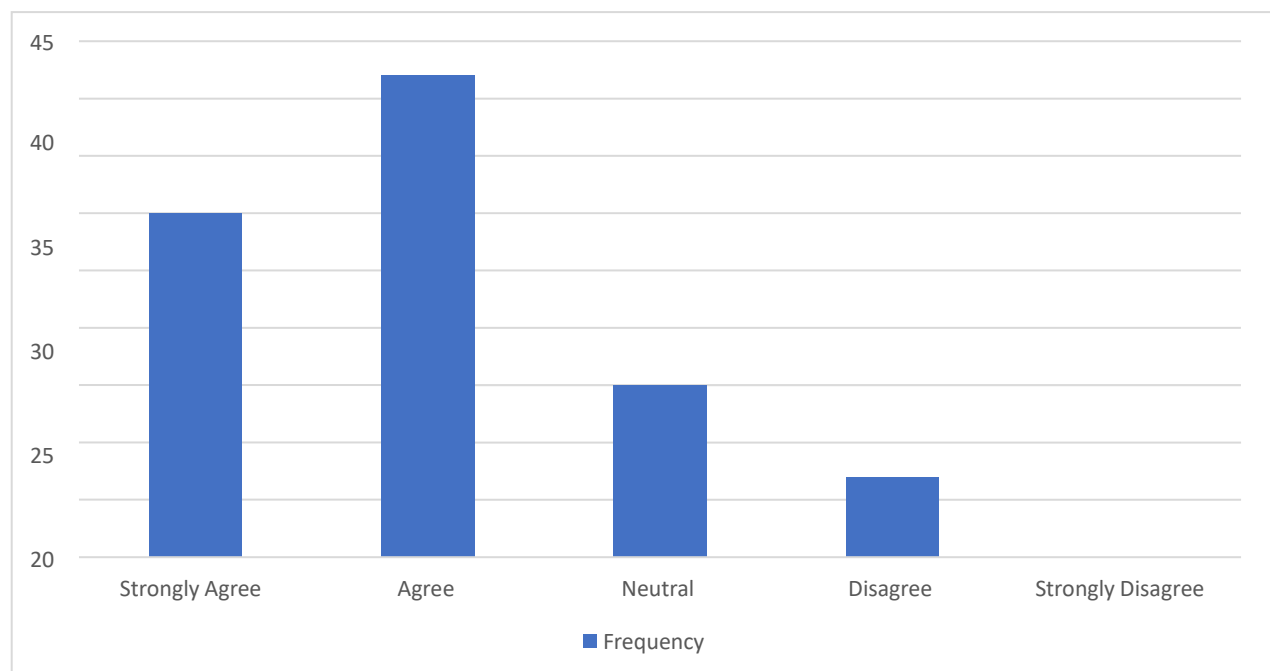
Discussion

The demographics of the survey shows that, the gender distribution revealed that 56.4% identified as male, while 43.6% identified as female. The majority of the respondents, accounting for 47.9%, were graduates. Post graduates made up 39.4% of the respondents, while 7.4% had a 10+2 qualification, and 5.3% held a diploma or other qualifications. When considering the work experience of the 94 respondents, it was found that 35.1% had up to 2 years of experience, 33.0% had 2-5 years of experience, 23.4% had 5-10 years of experience, and the remaining 8.5% had more than 10 years of experience.

Organization really care about your well-being.



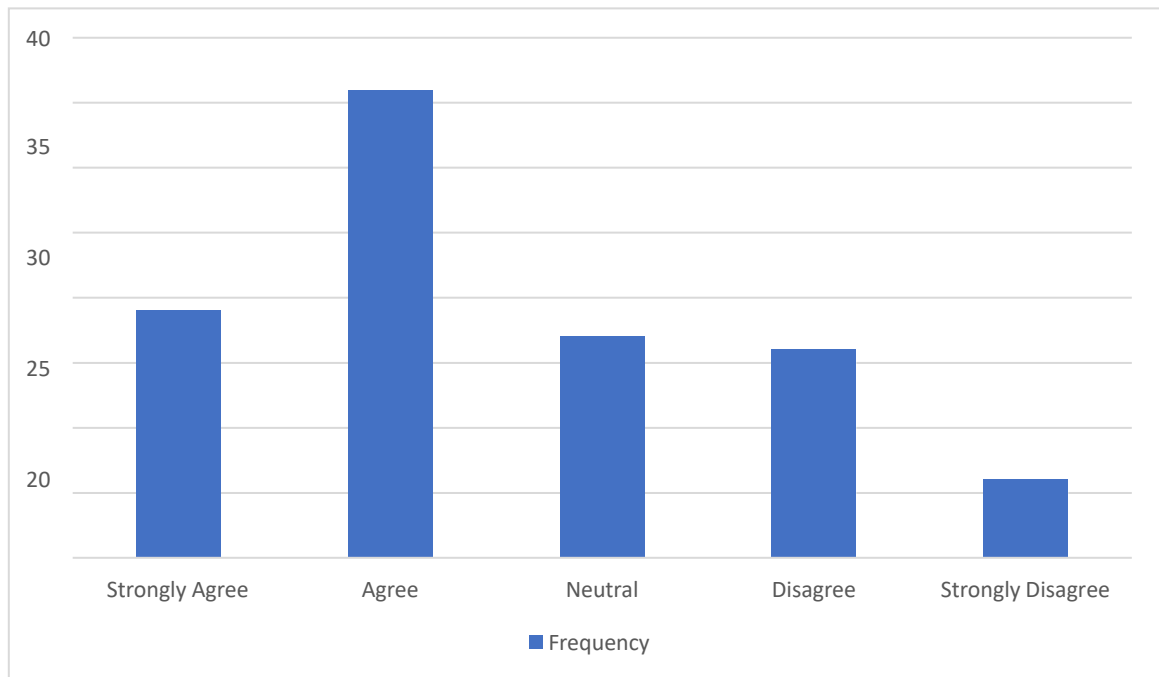
The data depicts the respondents' level of agreement regarding their organization's concern for their well-being. Of the respondents, 47.9% expressed agreement, while 27.7% strongly agreed that their organization cares about their well-being. On the other hand, 7.4% of the respondents disagreed, and 4.3% strongly disagreed. A neutral opinion was held by 12.8% of the respondents towards this question.

Organization takes pride in your accomplishments at work.**Support from the superiors helps you in enduring harder works**

The chart shows the respondents' level of agreement to the statement, 'Support from the superiors helps

you in enduring harder works.’ 44.7% respondents agree to the statement, 31.9% respondents strongly agree to the statement. 16% respondents have a neutral opinion, 7.4% respondents disagree to the statement.

Likely to work in the same organization for the next two years.



The chart shows the level of agreement of the respondents on the question, ‘Are you likely to work in the same organization for the next two years?’. 38.3% of the respondents agree and 20.2% of the respondents strongly agree. 18.1% respondents have a neutral opinion, 17% respondents disagree and the rest 6.4% strongly disagree.

Reliability of Scale

| VARIABLE | ITEMS | CRONBACH’S ALPHA VALUE |
|-------------------------------------|-------|---------------------------|
| Perceived Organizational Support | 8 | 0.897 |
| Employee Engagement | 8 | 0.881 |

Cronbach’s alpha is used to test the reliability of the scale. It is found that the reliability of Perceived Organizational Support is 0.897 and of Employee Engagement is 0.881 which indicates that the questionnaire is acceptable.

Overview of Correlation

| | | Perceived Organizational Support | Employee Engagement |
|-------------------------------------|------------------------|--|------------------------|
| Perceived Organizational Support | Pearson Correlation | 1 | .893** |
| | Sig. (2-tailed) | | <.001 |
| | N | 100 | 100 |
| Employee Engagement | Pearson Correlation | .893** | 1 |
| | Sig. (2-tailed) | <.001 | |
| | N | 100 | 100 |

The correlation analysis conducted on the data indicates that there is a strong positive relationship between perceived organizational support and employee engagement. The Pearson correlation coefficient of .893 represents the strength and direction of the relationship. In this case, the coefficient of .893 indicates a strong positive correlation, implying that as perceived organizational support increases, employee engagement also tends to increase. The p-value, which is less than .001, signifies the statistical significance of the correlation. This indicates that the observed correlation between perceived organizational support and employee engagement is highly unlikely to occur by chance alone. Therefore, it provides evidence to support the claim that there is a significant relationship between these two variables in the population from which the sample was drawn. It is important to note that the analysis was based on a sample size of 100 respondents for both perceived organizational support and employee engagement. This sample size allows for reasonable confidence in the results and suggests that the findings may be representative of the larger population.

Conclusion

This study focuses on analysing the impact between perceived organizational support and employee engagement. It should be noted that the data collection for this research was limited to respondents from the branches of Kerala Gramin Bank located in Ernakulam and Thrissur districts. The results of the study could potentially be more significant if data had been collected from a more diverse range of areas. Based on the survey results, it can be concluded that the employees of Kerala Gramin Bank generally perceive a high level of organizational support. The majority of employees agreed that the bank takes care of their well-being, shows appreciation for their achievements, acknowledges their work, and provides opportunities for career advancement. This perception of support has a positive impact on employee engagement, as expressed by 75% of the employees. However, there is a segment of employees (around 25%) who feel less organizational support. The reasons for this include a lack of understanding regarding their absence due to

illness, not being assigned the best possible job for which they are qualified, and a general feeling of the bank not caring about their well-being and satisfaction at work. To address these issues and further enhance employee engagement, the bank should take additional efforts. This includes improving support for the less engaged employees, understanding and addressing any personal issues affecting job satisfaction, ensuring employees are assigned suitable positions based on their qualifications, and demonstrating more support and understanding for genuine reasons of absence. Moreover, providing support from superiors, acknowledging employee contributions, and focusing on employee well-being are also crucial for increasing perceived organizational support and ultimately improving employee engagement. Given the significant relationship between perceived organizational support and employee engagement, it is recommended that Kerala Gramin Bank prioritizes strategies to enhance perceived support to boost employee engagement and overall productivity.

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